



**GENERAL ASSEMBLY OF THE STATE OF TENNESSEE
FISCAL REVIEW COMMITTEE**

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M E M O R A N D U M

TO: The Honorable Dave Goetz, Commissioner
Department of Finance and Administration

FROM: Bill Ketron, Chairman, Fiscal Review Committee *BK*
Charles Curtiss, Vice-Chairman, Fiscal Review Committee *CC*

DATE: June 2, 2010

SUBJECT: **Contract Comments**
(Fiscal Review Committee Meeting 6/2/10)

RFS# 318.66-026

Department: Finance & Administration/Bureau of TennCare

Contractor: Volunteer State Health Plan – TennCare Select

Summary: The vendor is responsible for the provision of TennCare-covered services to children in state custody and high risk individuals, and provides a safety net for other TennCare MCOs statewide. The proposed amendment adds language to comply with the Annual Coverage Assessment Act of 2010; creates new method for adjusting the long-term care component of the base capitation rate; and adds new liquidated damages.

Maximum liability: \$1,830,990,506

Maximum liability w/amendment: \$1,830,990,506

After review, the Fiscal Review Committee voted to recommend approval of the contract amendment.

cc: The Honorable Darin Gordon, Deputy Commissioner
Mr. Robert Barlow, Director, Office of Contracts Review